Department of State

SECRET TELEGRAM

Pet to Libya

Pet to Libya

12

SECRET 919

PAGE 01 TRIPOLI 00681 011011Z

21
ACTION AF-19

EXCISE

INFO OCT-01 EUR-20 NEA-13 PM-05 NSC-10 SS-20 RSC-01
CIAE-00 INR-08 NSAE-00 L-04 H-02 PRS-01 E-15 COM-08
OEP-01 SSO-00 INT-06 RSR-01 /135 W
054164

P 010918Z APR 71
FM AMEMBASSY TRIPOLI
TO SECSTATE WASHDC PRIORITY 7598
INFO AMEMBASSY LONDON PRIORITY
AMEMBASSY BENGHAZI

S E C R E T TRIPOLI 681

SUBJ: LIBYAN OIL NEGOTIATIONS

REF: TRIPOLI 667 AND LONDON 2849

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY cj DATE 6/22/81
PORTIONS DENIED AS INDICATED

TRIPOLI 681 S/S 7104

1 [redacted] B4

2 [redacted] B4

3. [redacted] B4 B1 MABRUK THEN WAS INFORMED AT ABOUT 2200 LOCAL LAST NIGHT THAT ESSO AND BP CANNOT MEET RCC'S CONDITIONS FOR SIGNATURE OF PROPOSED AGREEMENT. MABRUK TOOK THIS REJECTION PHILOSOPHICALLY AND SAID ONLY THAT PARTIES NOW MUST WAIT TO SEE WHAT COURSE RCC WILL TAKE.

4. COMMENT [redacted] B4

5. WITH BALL SQUARELY IN ITS COURT, RCC MET LAST NIGHT AND, PRESUMABLY, INDICATION OF NEXT MOVE WILL BE GIVEN [redacted] B1 TODAY. IT IS DIFFICULT FOR US TO BELIEVE THAT RCC WILL SIGN PROPOSED AGREEMENT WITHOUT SOME MORE SERIOUS EFFORT TO WIN FURTHER CONCESSIONS. (REPORT [redacted] THAT RCC REJECTED AGREEMENT BY 9 TO 3 VOTE (LONDON 2849) IS ONE EXPLA- ATION FOR PRESENT MINUET, BUT WE STILL BELIEVE IT IS MORE LIKELY THAT RCC HAS DECIDED UPON ACTION IT EVENTUALLY WILL TAKE. B4 WITH TWO MOST PROBABLE ALTERNATIVES BEING ACCEPTANCE OF AGREEMENT IF COMPANIES REMAIN ADAMANT, OR IMPOSITION OF TERMS BASED UPON CONCESSIONS COMPANIES HAVE MADE BUT OMISSION ELEMENTS TO WHICH LARG OBJECTS.

6 OF PASSING INTEREST, ARE COMPANY REPORTS THAT MINPET MABRUK WILL BE REPLACED AFTER THIS ROUND IS OVER - POSSIBLY BY RCC MEMBER MUHAYSHI, WHO HAS NO PORTFOLION IN PRESENT CABINET, AND THAT RELATIVELY LITTLE-KNOWN MINISTRY OF PETROLEUM SALES DIRECTOR HASAN JIHANI WILL BE APPOINTED TO FILL VACANT UNDER SECRETARYPOSITION. [redacted] B1

GP-2.
PALMER